

Shasta LAFCO

Shasta Local Agency Formation Commission

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MINUTES

Regular Meeting December 10, 2009

(These minutes are not intended to be a verbatim transcription of the proceedings and discussion associated with the business on the Commission's agenda; rather, what follows is a summary of the order of business and general nature of testimony, Commission deliberation, and action taken.)

CALL TO ORDER/ROLL CALL/INTRODUCTIONS

Chairman Gover called the meeting to order at 9:05 am at the City of Redding Council Chambers, 777 Cypress Ave, Redding, CA. Commissioners Baugh, Farr, Gover, Haynes, Kehoe & Morgan were present. Executive Officer Mickelson and Clerk Smith were present as staff.

PLEDGE OF ALLEGIANCE

Commissioner Farr led the Pledge of Allegiance.

PUBLIC COMMENT

There was no public comment submitted.

CHANGES OF ORGANIZATION AND/OR REORGANIZATION

LAFCO File #09-2, CSA #6 – Jones Valley (Elk Trail) Reorganization

On November 5, 2009, the Commission conditionally approved the Jones Valley (Elk Trail) Reorganization (LAFCO File #09-02).

Ms. Mickelson explained that the purpose of today's agenda item was to convene a Conducting Authority hearing for the sole purpose of receiving written protest against the Jones Valley (Elk Trail) Reorganization. Protest forms from registered voters and landowners residing inside the affected area only would be collected until the close of the hearing. Some ballots had already been received by LAFCO prior to the hearing by mail or personal submission. The protest ballot was mailed to property owners and registered voters on November 16, 2009.

The collection of the protest ballots and the closure of the public hearing would be the only action taken during the public hearing. After the close of the hearing, staff, as authorized by Government Code and Shasta LAFCO policy, will confirm each ballot and tabulate the results. If the ballot count of either

Registered Voters or Landowners is less than 25%, the annexation will progress unhindered. If the protests received are higher than 25%, then an election will be required.

Each ballot will be verified for accuracy, voter status and correctness. Verification and tabulation will then occur in the next 20 days by staff, with the results mailed and published

Ms. Mickelson informed the Commission that Mr. Caughey, a landowner adjacent to the Elk Trail Reorganization, was present at the meeting and had requested to address the Commission regarding the project.

At 9:10 am, Commissioner Dickerson arrived.

At 9:11 am, the Public Comment period was opened.

Mr. Caughey stated that he has owned a 39.10 acre parcel in Jones Valley for over 20 years and had been waiting for water to be brought out there for much of that time. He requested to be included in the Elk Trail Reorganization and would like a meter installed. Mr. Caughey stated that he had contacted Mr. Minturn of Shasta County requesting the inclusion of his parcel within the Elk Trail Reorganization. Mr. Caughey was told that inclusion in the Elk Trails process wasn't possible due to the late stage that the project was currently in, as well as the fact that the project has substantial grant funding, much of which was tied to the properties described within the proposed boundaries.

Commissioner Baugh asked Mr. Caughey why he was just now making this request as the project has been in the works for thirteen years.

Mr. Caughey stated that he hadn't read the paper and prior to LAFCO's mailed notice, he had no knowledge of the reorganization or that the County was moving forward on the Elk Trail project.

Chair Gover explained that the purpose of today's public hearing was the collection of the protest ballots and the closing of the ballot receiving period. There would be no other action.

After Mr. Caughey asked what the next step for him to take, Chair Gover suggested setting up a meeting with Ms. Mickelson and Mr. Minturn and explore what options they would recommended in order for him to be annexed into CSA #6 in a separate proposal.

Ms. Mickelson then asked if anyone in the audience had a ballot that they would like to submit prior to the close of the public hearing. No additional ballots were offered.

At 9:53 am, Chairman Gover closed the public hearing, thereby closing the balloting period for the Elk Trails Protest Proceeding.

MINUTES

The minutes of October 1, 2009 and November 5, 2009 were presented. By motion made and seconded (Haynes, Baugh) the Commission approved the October 1, 2009 and November 5, 2009 minutes as amended. On the October 1, 2009 minutes, the amendment made was striking *we should* on page four. On the November 5, 2009 minutes, the amendments made were the removal of *Char Workman-Flowers of Clear Creek CSD* on page three and replacing the word *not* with *now* on page four .

BUDGET & FISCAL AFFAIRS

Fiscal Year 2009-10 2nd Quarter Transaction Register

The 2nd Quarter Transaction Register was presented for review and adoption.

Consideration of Checking Account Statements

Ms. Mickelson presented the following bank statements: US Bank: two statements dated September 30, 2009 and October 31, 2009; Tri Counties Bank: two statements dated October 18, 2009 and November 17, 2009; and LAIF: two statements dated September 2009 and October 2009.

Consideration of Deposit to Tri Counties Bank Checking Account

Ms. Mickelson requested that a \$2,000 deposit be made into the Tri Counties checking account in order to fund necessary and approved budget expenditures for the remainder for the 2009-10 Fiscal Year.

By motion made and seconded (Baugh, Dickerson), the Commission approved the 2nd Quarter Transaction Record and bank statements as presented, as well as authorized staff to deposit \$2,000 into the Tri Counties checking account.

CHANGES OF ORGANIZATION AND/OR REORGANIZATION

Report on Upcoming or Potential Proposals

The Executive Officer provided a brief summary to the Commissioners regarding upcoming and expected proposals.

Commissioner Haynes asked if the MSR for ACID would need to be adopted prior to the Commission moving forward on the McConnell/Steiner Annexation to ACID. She also noted that it was her understanding that all requested materials had been submitted by the District for the MSR.

Ms. Mickelson stated that in 2001, the Shasta LAFCO Commissioners exempted water districts from completing MSRs via a policy decision. She then reminded the Commission that Counsel Johnson had been asked to provide an opinion regarding the sufficiency of such a exemption policy. The opinion rendered by Ms. Johnson certainly questioned the exemption, but the Commission had not opted to direct staff in this issue at the time the opinion was discussed (in 2008).

In regard to ACID submitting information to LAFCO, Ms. Mickelson stated that there are currently four versions of the ACID MSR. This was due to the fact that ACID staff was not satisfied with the version

drafted by LAFCO, even though the MSR is a LAFCO document. She has had a difficult time completing a version that both agencies, LAFCO and ACID, would support. Since there was still ambiguity about the water district exemptions, LAFCO staff had not pressed the issue of late.

Commissioners Farr and Dickerson both expressed their desire to have legal counsel address the Commission's authority to exempt specific types of districts. Ms. Mickelson stated that she would discuss the issue with legal counsel and come back with some clarity on the issue. This was an information item only. No action was taken.

OPERATIONS & ADMINISTRATION

Consider Contract for Legal Services

On November 5, 2009, the Commission appointed Ms. Elizabeth Johnson to serve as legal counsel for Shasta LAFCO. At the time of appointment, staff was directed to bring back a contract for Commission approval.

Ms. Mickelson presented the contract as offered by Ms. Johnson.

Commissioner Kehoe asked if the \$145 hourly rate was the same as previously charged and asked what her stand-by rate was.

Ms. Mickelson responded that the rate was the same as per the prior contract and that Ms. Johnson would only be charging for time actually worked.

Commissioner Baugh expressed his concern about predating the contract for October 1, 2009. He felt that the contract should be dated either December 10, 2009 or possibly January 1, 2010.

Commissioner Haynes asked if the language of the contract gave too much authority to the Executive Office and excluded the Commission from making decisions.

Commissioner Baugh stated that the Executive Officer answers to the Commission and works at the direction of the Commission, as per contract.

By motion made and seconded (Dickerson, Baugh) the Commission approved the contract for legal services with Ms. Johnson, noting a contract date of January 1, 2010.

Consider CALAFCO Regional Structure

The Executive Officer informed the Commission that the CALAFCO Board extended the deadline for comments on the idea of CALAFCO Regionalization through the first week of January.

Executive Officer Mickelson informed the Commission that regional meetings and collaboration are already occurring on an informal basis.

The Commission as a whole was mainly concerned about any additional costs that would be incurred if regionalization moved forward.

Discussion followed.

The Commission directed Executive Officer Mickelson to prepare a letter stating that Shasta LAFCO does not support regionalization.

COMMISSIONER ANNOUNCEMENTS

None

STAFF ANNOUNCEMENTS

The next LAFCO Meeting will be held on Thursday, February 4, 2009 at the City of Anderson. Staff also informed the Commission that the LAFCO office will be closed between December 24, 2009 and January 1, 2010.

ADJOURNMENT

There being no further business, Chairman Gover adjourned the meeting at 10:00 am.

Respectfully submitted,

Jessica Smith
Clerk to the Commission

Date